

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On February 16, 2012 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on February 16, 2012 in the State Office Building.

Members Present: Edwin S. Greenberg, Chairman
Bennett Millstein, Vice-Chairman
Bruce Josephy, Secretary
Mark A. Norman
Pasquale A. Pepe
John P. Valengavich

Staff Present: Brian A. Dillon, Director
Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

OPEN SESSION

ACCEPTANCE OF MINUTES OF FEBRUARY 9, 2012. Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of February 9, 2012. The motion passed unanimously.

REAL ESTATE- UNFINISHED BUSINESS

REAL ESTATE- NEW BUSINESS

PRB # 12-028 **Transaction/Contract Type:** RE / Admin. Settlement
Origin/Client: DOT / DOT
Project Number: 171-305-148
Grantor: The Hartford Courant Company
Property: 285 Broad Street, 8 Flower Street and 15 Flower Street, Hartford, CT

Project Purpose: New Britain – Hartford Busway Project
Item Purpose: Acquisition of approximately 2,916 SF of defined easement area for transportation purposes, 201 SF easement for lighting and a 7,566 SF temporary work easement together with various rights.

Ms. Goodhouse reported that for the New Britain – Hartford Busway, DOT will acquire a 2,916 SF defined easement for transportation purposes, a 201 SF defined easement for lighting, a 7,566 SF temporary work area easement, and various other rights. The subject property is three parcels comprising 190,778 sq. ft. improved with a three and four story building with an above grade area of 267,086 sq. ft.

Initially, the DOT measured an impacts of the acquisition to be the loss of 18 parking spaces, as well as the (temporary) loss of access to loading docks and an active rail siding. To value these damages, DOT relied on an

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appraisal as of November 2011 by independent fee appraiser Howard B. Russ, who determined the damages to be \$325,000:

Value Before the Taking:	\$27,350,000	
Value After the Taking:	<u>\$27,050,000</u>	Damages: \$300,000
		Plus Temporary Damages: <u>\$ 25,000</u>
		Total: \$325,000

Table 1: Summary of Allocation of Damages (Russ Appraisal)

Item	Valuation	Damages
Easement for transportation	2,916 SF @ \$10.00/SF x 99%	\$28,868
Easement for lighting	201 SF @ \$10.00/SF x 99%	\$1,990
Site Improvements	Contributory value as determined by cost manual	\$7,376
Impact loss of 18 parking spaces	Determined through income approach	\$261,766
Temporary Work Area	7,566 SF @ \$10.00/SF x 8% x 4 years = \$24,211, say	\$25,000
Total:		\$325,000

DOT reported in its submittal that The Hartford Courant Company asked for additional compensation because the Courant previously held a leasehold interest in 7,450 sq. ft. of Amtrak property. The area being leased from Amtrak adjoins the Courant’s Flower Street parking lot, and contains approximately 33 parking spaces. As an unintended consequence of the State’s project, Amtrak terminated the Courant’s lease agreement, just prior to the initiation of the State’s negotiations with the Courant. The Courant’s counter offer to DOT was \$383,000, by which they sought compensation for the lost parking, formerly leased from Amtrak.

DOT determined that only a portion of the leasehold area was needed for the project, and Amtrak agreed to enter into negotiations with the Courant for a new lease. DOT and the Courant agreed to \$340,000, which is an increase of 4.6% over DOT’s original proposal, and are seeking the Board’s approval for this award.

The Board discussed the appraisal report by Howard Russ. Chairman Greenberg recommended that the Board receive additional information on the negotiated settlement, particularly since the appraisal report did not consider the valuation of the lease agreement between the Hartford Courant Company and Amtrak.

PRB # 12-030 **Transaction/Contract Type:** RE / Lease
Origin/Client: DOT / DOT
Project Number: 170-1050-001A
Grantee: United Water Connecticut, Inc.
Property: Northerly Side US Route 7, New Milford, CT

Project Purpose: Installation, Operation and Maintenance of an Extraction Well
Item Purpose: Lease Agreement for the purposes of installing, operating and maintaining an extraction well on a 2.57-acre parcel owned by the State of Connecticut.

Mr. Dillon said that this request is to allow the Department of Transportation to enter into a lease agreement with United Water Connecticut, Inc. (“UWC”) for the purposes of establishing an expanded extraction well field. UWC desires to enter into a long term lease with the State for the purposes of installing, operating and maintaining an extraction well on the subject site. The agreement envisions that the extraction well will be installed at a 2.57-acre parcel located along the northerly side of Route

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7 in New Milford. The term of the lease shall be for (50) fifty-years with two (2) twenty-five year renewal terms. The lease rate shall be \$1.00 per year.

The property is currently vacant and is bordered to the rear by the Housatonic River. The property is encumbered by a large area of wetlands and a regulated stream channel encroachment line.

Furthermore, the groundwater beneath the property is contaminated due to historic salt run-off from the DOT garage located across the street. The State already has installed a long term groundwater monitoring well program on the property. Due to these issues and the possible benefits of a long term extraction program DOT established a rate of \$1.00/year.

Mr. Dillon recommended approval of the item. The granting of the lease complies with Section 13a-80 of the CGS which gives the Commissioner of Transportation the authority to “sell, lease or convey building or land owned by the State and obtained in connection with highway purposes which real property is not necessary for such purposes.”

PRB #	12-032	Transaction/Contract Type:	RE / Voucher
Origin/Client:	DOT / DOT		
Project Number:	166-098-002		
Grantor:	Patrick A. Lerz		
Property:	486 Center Street, Wolcott, CT		

Project Purpose: Bridge No. 03075 State Road 322 over Lindsley Brook

Item Purpose: Acquisition of 1,156 SF of land, two (2) easements totaling approximately 371 SF to excavate a brook channel, place modified riprap and streambed material, a temporary easement to install a 24” pipe, an undefined easement to drain and additional compensation for the contributory value of site improvements.

Ms. Goodhouse reported that this project involves the reconstruction of Bridge No. 03075 State Route 322 over Lindsley Brook. In general the project involves the reconstruction of the bridge culvert, the subsequent widening of the stream channel and re-grading/placement of riprap along the embankments. The total project cost is estimated at \$1,443,000. This project is being funded entirely with State Funds under the “Fix-It-First Program” established by the Legislature in 2011.

The subject property at 486 Center Street is 0.72± acres of residential land on the corner of Center Street and Woodtick Road improved with a single family home. The zone is R-30. The DOT Estimate of Compensation (EOC) worksheet indicated that the takings will not significantly affect the dwelling, access driveway, or remaining site improvements.

The Grantor disagreed, and argued that the zone required that buildings be setback 40 feet from the road, and currently the dwelling is setback 30 feet, and the taking would reduce the setback to 20 feet. Also he noted that \$1,000 compensation for lost vegetation would not allow him to restore the privacy that trees and natural vegetation currently provide. Upon further negotiations, DOT and the Grantor agreed to an additional \$3,875 in compensation for the loss of setback, privacy and natural vegetation therefore totaling \$4,875 for the replacement of lost vegetation. Together with the land and easements acquired based on the unit value of \$3.15/sq. ft., the parties settled on damages of \$10,000.

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Staff recommended Board approval of the item. The acquisition complies with Section 13a-73(c) of the CGS which governs the acquisition of property by the commissioner of transportation required for highway purposes. The acquisition value is supported by the EOC report prepared by DOT. The negotiated increase is reasonable due to the loss of setback, which was an impact not considered in the EOC.

ARCHITECT-ENGINEER - UNFINISHED BUSINESS

ARCHITECT-ENGINEER – NEW BUSINESS

PRB# 12-031 **Transaction/Contract Type:** AE / Commission Letter
Project Number: BI-JD-299 **Origin/Client:** DCS/JUD
Contract: BI-JD-299-ARC Commission Letter #1
Consultant: JCJ Architecture, Inc.
Property: New Haven Courthouse GA #23, New Haven

Project Purpose: Exterior Restoration to New Haven Courthouse
Item Purpose: Commission Letter #1 to compensate the consultant for additional services related to re-bidding of additional project phases and construction administration services based on the expanded Phase I project scope.

Mr. Dillon said that this project incorporates structural renovation Project #BI-JD-281A into Project #BI-JD-299. The incorporation of the former project includes the architect of record Hoffman Architects (“HAI”) as a sub-consultant to the current Architect of Record JCJ Architecture Inc. (“JCJ”). The New Haven Courthouse contains a gross building area of 600,000± SF and was constructed in 1914. The facility is on both the State and National Historic Registers and therefore, all restoration work must comply with the standards of the CT Historical Commission and Secretary of the Interior. The combined project will be undertaken in three phases

Commission Letter #1 will modify JCJ’s contract and provide for an additional \$46,105 in consulting fees to provide additional bidding services for Phases II and III and expanded construction administration services for Phase I. The additional scope of this commission letter is as follows: additional bid and negotiation services for Phase II and Phase III of the project. The additional bid and negotiation fee will also include RFI responses, walkthroughs and bid evaluation; and additional Phase I CA services to review shop drawings, mock-ups and submittals related to the expansion of the Phase I project which is now intended to include the roof and masonry restoration work along the Elm Street and Church Street facades.

Mr. Dillon recommended that the Board suspend this item pending receipt of additional information on the project. A portion of this commission letter is intended to compensate JCJ for Phase II and Phase II Bidding and Negotiation services. Mr. Dillon would like DCS to demonstrate that the scope of services in the Commission Letter does not duplicate services which the consultant included in the scope of Contract Amendment #2 (approved February 2009).

OTHER BUSINESS

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The Board took the following votes in Open Session:

PRB FILE #12-028 – Mr. Norman moved and Mr. Pepe seconded a motion to suspend PRB File #12- 028, pending receipt of additional information from the Department of Transportation regarding the proposed Administrative Settlement. The motion passed unanimously.

PRB FILE #12-030– Mr. Pepe moved and Mr. Norman seconded a motion to approve PRB File #12- 030. The motion passed unanimously.

PRB FILE #12-031 – Mr. Norman moved and Mr. Valengavich seconded a motion to suspend PRB File #12- 031, pending receipt of additional information related to the project. The motion passed unanimously.

PRB FILE #12-032 – Mr. Valengavich moved and Mr. Millstein seconded a motion to approve PRB File #12- 032. The motion passed unanimously.

The meeting adjourned.

APPROVED: _____ **Date:** _____
Bruce Josephy, Secretary